H.R.7, the Paycheck Fairness Act

House Democrats are delivering on our For the People agenda by taking action to raise wages. Tomorrow, we will consider H.R.7, the Paycheck Fairness Act, sponsored by Representative Rosa DeLauro (CT-03). H.R.7 builds upon longstanding efforts by House Democrats to close the wage gap and ensure equal pay for equal work.

ABOUT THE WAGE GAP

Too often, women are paid less than men for doing the exact same work. House Democrats passed the Lilly Ledbetter Fair Pay Act in 2009 to strengthen worker protections against pay discrimination, but additional action is required to help close the wage gap. On average, a woman still makes only 77 cents for every dollar earned by her white male equivalent. The wage gap varies based on race and is especially acute for women of color:

- Black women earn 61 cents on average for every dollar earned by her white male equivalent;
- Latina women earn 53 cents;
- Native Hawaiian and Pacific Islander women earn 62 cents;
- And Asian women earn 85 cents.

WHAT'S AT STAKE FOR WORKING FAMILIES AND THE ECONOMY

- Nearly 64 percent of mothers are breadwinners for their families. Fairly compensating these women for their work would have a dramatic impact on their families and children.
- If women earned equal pay for equal work, the poverty rates for both working women and single mothers would be halved, and over 25 million children would benefit.
- The wage gap deprives employed women in the U.S. of \$900 billion each year, rightfully earned money that could be put back into our economy through spending on goods and services, education, homeownership, and more.
- The increased earnings from pay parity would be approximately <u>16 times</u> what the government spends on Temporary Assistance to Needy Families.

H.R. 7, THE PAYCHECK FAIRNESS ACT

H.R. 7 is an important step toward closing the gender wage gap. The <u>Paycheck Fairness Act</u> aims to end gender-based wage discrimination by closing loopholes in the Equal Pay Act of 1963. The legislation will:

- Require employers to demonstrate that pay disparities are based on legitimate, work-related factors
- Prohibit retaliation against employees who discuss or compare their wages
- Ban employers from seeking previous salaries of prospective employees
- Institute a program for negotiation and skills training
- Eliminate barriers in the Equal Pay Act that make it more difficult for workers' participation in class action lawsuits challenging systemic pay discrimination
- Improve the Department of Labor's existing tools for enforcing the Equal Pay Act

STRONG SUPPORT FOR THE PAYCHECK FAIRNESS ACT

Bill Samuel, Director, Government Affairs, AFL-CIO: "The AFL-CIO strongly urges your support of the Paycheck Fairness Act (H.R 7) when it comes to the House floor this week. The Paycheck Fairness Act is a long overdue remedial measure that responds to the demonstrated inadequacies of the 1963 Equal Pay Act... When women endure pay discrimination, entire families suffer. We urge you to support final passage of the Paycheck Fairness Act (S. 84), and to oppose any amendment that would weaken this important and long overdue legislation." [Letter, 3/25/19]

Scott Frey, Director of Federal Government Affairs, AFSCME: "This legislation is integral to ensure that women earn the name amount as man for equal work... Fifty-six years after former President John F. Kennedy signed the Equal Pay Act into law, women earn less than men... This shortchanges many working families and creates little upward mobility in compensation to meet basic household needs...This trend is not only troubling for women's career and financial success, but also limits their ability to save for retirement... AFSCME strongly supports the 'Paycheck Fairness Act' (H/R/7) and encourages swift passage to alleviate gender-based wage discrimination, and ensure women receive equal pay for equal work." [Letter, 3/25/19]

Kim Churches, CEO, American Association of University Women (AAUW): "The Paycheck Fairness Act is essential to eradicating practices that have perpetuated the pay gap for far too long. In 2019, the idea that we still don't have equal pay for equal work is nothing short of outrageous. AAUW urges the 116th Congress to take this important step towards pay equity with the swift passage of the bill." [Fact Sheet, 1/24/19]

<u>Sarah Fleisch Fink, General Counsel, National Partnership for Women and Families</u>: "As the Paycheck Fairness Act recognizes, women and workers from communities of color continue to face significant pay disparities in the United States...The wage gap persists across different industries, occupations and education levels, and exists in nearly every congressional district...The Paycheck Fairness Act is a much needed update to our nation's equal pay laws. We urge you to vote in support and oppose harmful amendments." [Letter, <u>3/25/19</u>]

Emily J. Martin, Vice President for Education & Workplace Justice, National Women's Law Center: "[W]e strongly urge you to pass the Paycheck Fairness Act, H.R. 7, without amendments that limit its scope or undermine its critical protections...Today, women across the country—especially women of color—continue to experience a pay gap and a higher risk of poverty than men...The Paycheck Fairness Act updates and strengthens the Equal Pay Act of 1963 to ensure that it provides robust protection against sex-based pay discrimination." [Letter, 3/25/19]

<u>Alejandra Y. Castillo, CEO, YWCA</u>: "On behalf of the 210 local YWCAs in 46 states and the District of Columbia, I urge you to vote in favor of this momentous legislation so that we may continue to make progress on equity in women's pay." [Letter, 3/25/19]

Hilary O. Shelton, Director, Washington Bureau, NAACP: "...I strongly urge you to support and vote in favor of H.R. 7, the Paycheck Fairness Act... While the Equal Pay Act has helped to narrow the wage gap between men and women in our workforce, significant disparities remain and must be addressed...The Paycheck Fairness Act is a responsible, steady yet aggressive bill. It will help remedy this inequity and close this unacceptable gap." [Letter, 3/25/19]